

Omaha-Council Bluffs Metropolitan Area Planning Agency
Omaha, Nebraska

Financial Statements and Supplementary Information
June 30, 2022

Together with Independent Auditor's Report

Omaha-Council Bluffs Metropolitan Area Planning Agency

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Independent Auditor's Report

To the Governing Board
Omaha-Council Bluffs Metropolitan Area Planning Agency:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Omaha-Council Bluffs Metropolitan Area Planning Agency (MAPA) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise MAPA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of MAPA as of June 30, 2022, and respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MAPA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1(O) and Note 6 to the financial statements, MAPA has adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to record a right-to-use asset and lease liability as of July 1, 2021. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MAPA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MAPA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MAPA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 4 through 8 and 25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise MAPA's basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023 on our consideration of MAPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MAPA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MAPA's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Omaha, Nebraska,
March 31, 2023.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Management's Discussion and Analysis June 30, 2022



Connect. Plan. Thrive.

MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Year ending June 30, 2022

MAPA provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of financial activities is for the fiscal year ending June 30, 2022. We encourage readers to consider this information in conjunction with our financial statements, which follow.

FINANCIAL HIGHLIGHTS

MAPA's total governmental fund revenues were \$5,086,371 in fiscal year 2022 an increase of \$210,062, or 4%, compared to fiscal year 2021. Currently, MAPA is implementing several large, long-term studies. These studies vary in funding from year to year. A summary of some of MAPA's larger projects is included below. In 2022, approximately \$293,783 of federal funding was passed on to member jurisdictions as direct support.

Project Name	Funding Source	Total Project Cost	Project Years	2022	2021	Change from Prior Year
MAPA Transportation Planning activities	Department of Transportation		Annual funding	\$ 1,239,138	\$ 1,667,200	\$ (428,062)
MAPA Transportation Planning activities	Federal Transit Administration		Annual funding	774,576	692,518	82,058
Nebraska-Iowa Orthophotography Project	Charges for Services	\$ 980,890	2022-2023	499,378	400,307	99,071
MAPA CARES Act Recovery Assistance	Economic Development Administration		2020-2024	\$ 675,022	\$ 141,473	\$ 533,549
				\$ 3,188,114	\$ 2,901,498	\$ 286,616

MAPA's governmental fund expenditures were \$4,633,911 in fiscal year 2022, an increase of \$137,667, or 3%, compared to fiscal year 2021.

The MAPA Foundation serves two primary functions: 1) It is currently designated as a Nonprofit Development Organization (NDO) and as such, it serves development needs to carry out community economic development, neighborhood revitalization, or energy conservation projects. Such projects include Community Development Block Grant (CDBG) loan programs, a local/regional investment fund to finance home construction projects in accordance with the Rural Workforce Housing Investment Act, and the Nebraska Affordable Housing Trust, a project to provide affordable housing for low-to-moderate income Nebraskans. 2) It previously supported the Metropolitan Area Motorist Assist program (MAMA), a program that utilized volunteers supervised by the Nebraska State Patrol to assist motorists stranded on the Metro area's major highways. The volunteers helped to alleviate the workload that would otherwise be the responsibility of local law enforcement. MAMA services were discontinued in fiscal year 2021. The Foundation's total revenues in fiscal year 2022 were \$1,164,382 an increase of \$962,825 compared to fiscal year 2021. The Foundation's total expenses in fiscal year 2022 were \$14,530, a decrease of \$113,205 compared to fiscal year 2021. The increase in revenues was primarily due to new CDBG funding to support the community of Plattsmouth, Nebraska. The decrease in expenses was primarily due to the discontinuation of the MAMA program and substantial completion of services provided via the Nebraska Affordable Housing Trust.

MAPA's net position increased \$1,614,224 from June 30, 2021 to June 30, 2022.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Management's Discussion and Analysis June 30, 2022

USING THIS MD&A ANNUAL REPORT

This MD&A annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of MAPA financial activities.

Financial Statements consist of Statement of Net Position, Statement of Activities, Balance Sheet - Governmental Funds, Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, Statement of Net Position-Proprietary Fund, Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund, Statement of Cash Flows - Proprietary Fund. These provide information about the activities of MAPA as a whole and present an overall view of MAPA.

The Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Supplementary Information further explains and supports the financial statements with a comparison of MAPA's budget for the year, detail of the non-major funds and the Schedule of Expenditures of Federal Awards.

REPORTING FINANCIAL ACTIVITIES

Government-wide Financial Statements

Government-wide financial statements report information about MAPA as a whole, using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of MAPA's assets and liabilities. The purpose of this statement is to present a summary of MAPA to readers of the financial statements. The Statement of Activities accounts for all of current year's revenues and expenses, regardless of when cash is received or paid.

The government-wide financial statements report MAPA's net position and how they have changed for the period. Net position, the difference between MAPA's assets and liabilities, are one way to measure organizational financial health or position. Over time, increases or decreases in net position are indicators of whether financial position is improving or deteriorating.

Fund Financial Statements

Fund financial statements provide more detailed information about MAPA's funds, focusing on the most significant funds and not the organization as a whole. Funds are accounting devices used to keep track of specific sources of funding and spending on particular programs. MAPA has three types of Funds:

Government funds: Most of MAPA's funds are included in governmental funds, which generally focus on (1) how cash and other financial assets that can be converted to cash flow in and out, and (2) the balances that are left at year-end that are available for spending. Consequently, governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the organization's programs.

Governmental funds include the General Fund along with the non-major fund, the Officials Expense Fund. Required financial statements for governmental funds include a Balance Sheet and a Statement of Revenue, Expenditures and Changes in Fund Balances.

Enterprise funds include the MAPA Foundation and have business type activity.

Fiduciary funds: Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organization, other governmental units, and/or other funds. MAPA does not report any fiduciary activities that meet the criteria of the Governmental Accounting Standards Board.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Management's Discussion and Analysis June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Following is a summary of MAPA's net position for the year ended June 30, 2022 compared to June 30, 2021.

	<u>2022</u>	<u>2021</u>	<u>Change from Prior Year</u>	
ASSETS				
Non-capital assets	\$ 7,227,075	5,420,402	1,806,673	33%
Capital assets	<u>64,477</u>	<u>52,565</u>	11,912	23%
 Total assets	 \$ <u>7,291,552</u>	 <u>5,472,967</u>	 1,818,585	 33%
 LIABILITIES	 \$ <u>1,252,347</u>	 <u>1,047,986</u>	 204,361	 20%
 NET POSITION				
Net investment in capital assets	64,477	52,565	11,912	23%
Restricted	2,170,971	1,079,605	1,091,366	101%
Unrestricted				
Designated	662,249	614,740	47,509	8%
Undesignated	<u>3,141,508</u>	<u>2,678,071</u>	463,437	17%
 Total net position	 <u>6,039,205</u>	 <u>4,424,981</u>	 1,614,224	 36%
 Total liabilities and net position	 \$ <u>7,291,552</u>	 <u>5,472,967</u>	 1,818,585	 33%

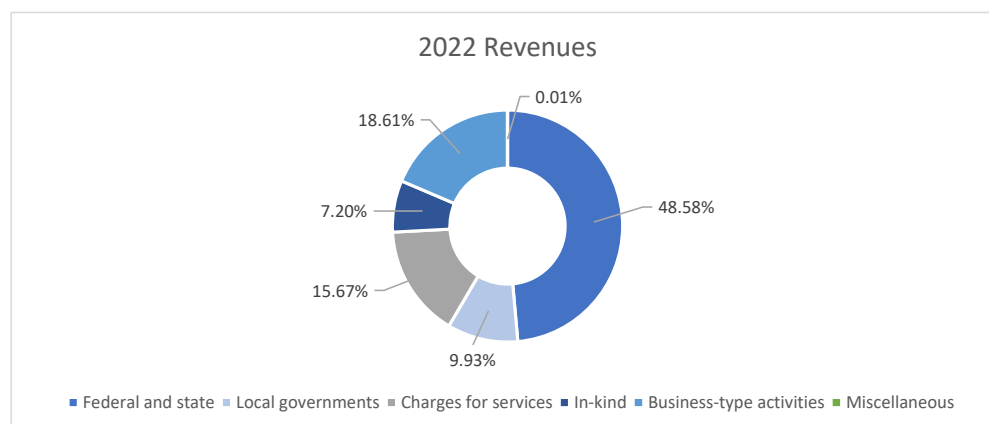
Omaha-Council Bluffs Metropolitan Area Planning Agency

Management's Discussion and Analysis June 30, 2022

The following summary is a comparison of the changes in net position for the years ending June 30, 2022 and 2021.

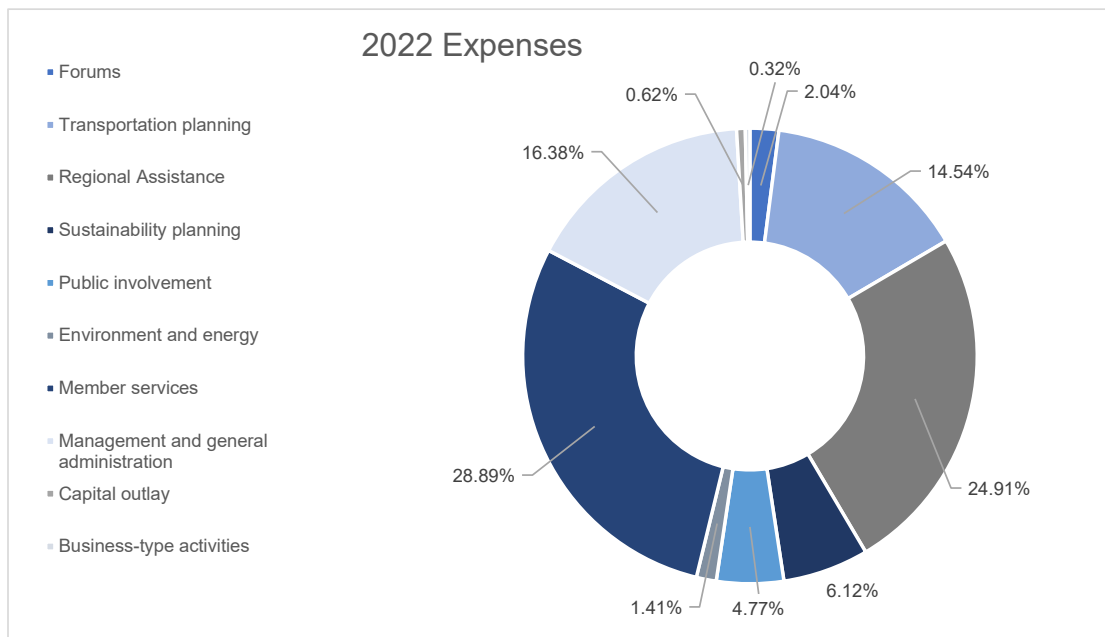
The Changes in Net Position reflects an increase in the net position at the end of the fiscal year of \$1,614,224 or 27%.

	2022	2021	Change from Prior Year	
Revenues				
Federal and state	3,036,335	2,852,817	183,518	6%
Local governments	620,502	782,802	(162,300)	-21%
Private grants	--	187,298	(187,298)	-100%
Charges for services	979,301	611,842	367,459	60%
In-kind	450,093	338,883	111,210	33%
Investment income (loss), net	(6,072)	3,346	(9,418)	-281%
Business-type activities	1,164,382	201,563	962,819	478%
Miscellaneous	6,212	2,923	3,289	113%
Total revenues	6,250,753	4,981,474	1,269,279	25%
Expenses				
Forums	94,803	99,490	(4,687)	-5%
Transportation planning	676,066	810,247	(134,181)	-17%
Regional Assistance	1,158,049	659,867	498,182	75%
Sustainability planning	284,459	121,532	162,927	134%
Public involvement	221,689	245,449	(23,760)	-10%
Environment and energy	65,509	300,721	(235,212)	-78%
Member services	1,342,818	1,361,308	(18,490)	-1%
Management and general administration	761,543	663,606	97,937	15%
Capital outlay	28,975	--	28,975	100%
Business-type activities	14,530	127,735	(113,205)	-89%
Total expenses	4,648,441	4,389,955	258,486	6%
Change in fund balances	1,602,312	591,519	1,010,793	171%
Adjustment for capital expenses	11,912	(15,702)	27,614	-176%
Changes in net position	1,614,224	575,817	1,038,407	180%
Beginning net position	4,424,981	3,849,164	575,817	15%
Ending net position	6,039,205	4,424,981	1,614,224	36%



Omaha-Council Bluffs Metropolitan Area Planning Agency

Management's Discussion and Analysis June 30, 2022



CAPITAL ASSETS

MAPA net capital assets increased from \$52,565 to \$64,477 for the period ended June 30, 2022, an increase of \$11,912. See Note 4 for additional information related to capital assets.

LONG-TERM DEBT

MAPA long term obligations consist of a \$250,000 loan payable to the City of Blair, Nebraska to be used to provide loans for the development of workforce housing projects under the Blair Rural Workforce Housing Fund. The loan does not bear interest and is due August 30, 2028, unless an extension is mutually agreed upon. See Note 5 for additional information related to long-term debt.

MAPA also has two existing lease liabilities for office equipment amounting to \$5,265 at June 30, 2022 with lease terms ending in January 2023 and April 2025, respectively. See Note 6 for additional information related to leases.

ECONOMIC FACTOR

MAPA relies on funding primarily from the U.S. Department of Transportation (USDOT). Continued funding of Transportation initiatives from USDOT and pass-through of those funds is necessary for MAPA to fulfill its mission.

CONTACTING MAPA FINANCIAL MANAGEMENT

This financial report is designed to provide our members, citizens and grant providers with a general overview of MAPA finances and operating activities. If you have any questions or require additional information, please contact the MAPA Executive Director, 2222 Cuming Street, Omaha NE 68102, (402)444-6866.



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Omaha-Council Bluffs Metropolitan Area Planning Agency

Statement of Net Position June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activites	Total
ASSETS			
Cash and cash equivalents	\$ 1,158,654	985,682	2,144,336
Investments	1,815,513	111,927	1,927,440
Accounts receivable	16,999	28,000	44,999
Due from other governmental agencies	1,596,581	2,250	1,598,831
Internal balances	74,914	(74,914)	--
Prepaid expenses	20,972	--	20,972
Notes receivable	--	1,485,232	1,485,232
Right of use leased assets	5,265	--	5,265
Capital assets, net	64,477	--	64,477
Total assets	<u>\$ 4,753,375</u>	<u>2,538,177</u>	<u>7,291,552</u>
LIABILITIES			
Accounts payable	\$ 688,556	--	688,556
Due to other governmental agencies	106,801	--	106,801
Accrued expenses	72,493	--	72,493
Compensated absences	70,688	--	70,688
Unearned revenue	--	58,544	58,544
Current maturities of lease liability	2,052	--	2,052
Notes payable	--	250,000	250,000
Lease liability, net of current maturities	3,213	--	3,213
Total liabilities	<u>943,803</u>	<u>308,544</u>	<u>1,252,347</u>
NET POSITION			
Net investment in capital assets	64,477	--	64,477
Restricted	9,918	2,161,053	2,170,971
Unrestricted			
Designated	662,249	--	662,249
Undesignated	3,072,928	68,580	3,141,508
Total net position	<u>3,809,572</u>	<u>2,229,633</u>	<u>6,039,205</u>
Total liabilities and net assets	<u>\$ 4,753,375</u>	<u>2,538,177</u>	<u>7,291,552</u>

See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Statement of Activities For the Year Ended June 30, 2022

	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Total
				Governmental Activities	Business-type Activities	
Governmental activities:						
Forums	\$ 94,803	1,788	123,801	30,786	--	30,786
Transportation planning	676,066	31,517	951,435	306,886	--	306,886
Regional assistance	1,158,049	398,389	1,102,158	342,498	--	342,498
Sustainability planning	284,459	42,275	205,790	(36,394)	--	(36,394)
Public involvement	221,689	--	265,874	44,185	--	44,185
Environment and energy	65,509	--	38,975	(26,534)	--	(26,534)
Member services	1,342,818	505,332	1,006,671	169,185	--	169,185
Management and general administration	778,606	--	--	(778,606)	--	(778,606)
Total governmental activities	4,621,999	979,301	3,694,704	52,006	--	52,006
Business-type activities	14,530	8,500	1,151,870	--	1,145,840	1,145,840
Total primary government	\$ 4,636,529	987,801	4,846,574	52,006	1,145,840	1,197,846
General revenues						
Grants and contributions not restricted to:						
Specific programs				\$ 412,226	--	412,226
Investment loss, net				(6,072)	4,012	(2,060)
Other revenues				6,212	--	6,212
Total general revenues				412,366	4,012	416,378
Change in net position				464,372	1,149,852	1,614,224
Net position, beginning of year				3,345,200	1,079,781	4,424,981
Net position, end of year				\$ 3,809,572	2,229,633	6,039,205

See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Balance Sheet – Governmental Funds June 30, 2022

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,158,654	--	1,158,654
Investments	1,815,513	--	1,815,513
Accounts receivable	16,999	--	16,999
Due from other governmental agencies	1,596,581	--	1,596,581
Due from other funds	66,626	8,288	74,914
Prepaid expenses	20,972	--	20,972
Total assets	<u>\$ 4,675,345</u>	<u>8,288</u>	<u>4,683,633</u>
LIABILITIES			
Accounts payable	\$ 688,556	--	688,556
Due to other governmental agencies	106,801	--	106,801
Accrued expenses	72,493	--	72,493
Compensated absences	70,688	--	70,688
Total liabilities	<u>938,538</u>	<u>--</u>	<u>938,538</u>
FUND BALANCE			
Restricted	9,918	--	9,918
Committed	250,000	--	250,000
Assigned	403,961	8,288	412,249
Unassigned	3,072,928	--	3,072,928
Total fund balance	<u>3,736,807</u>	<u>8,288</u>	<u>3,745,095</u>
Total liabilities and fund balance	<u>\$ 4,675,345</u>	<u>8,288</u>	<u>4,683,633</u>
RECONCILIATION			
Total fund balance - governmental funds		\$	3,745,095
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets and right to use leased assets in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.			69,742
Lease liabilities are not due and payable in the current period and therefore are not reported in the governmental funds			<u>(5,265)</u>
Net position - governmental activities		\$	<u>3,809,572</u>

See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds For the Year Ended June 30, 2022

	General	Non-major Funds	Total Governmental Funds
REVENUES			
Federal and state	\$ 3,036,335	--	3,036,335
Local governments	620,502	--	620,502
Charges for services	979,301	--	979,301
In-kind	450,093	--	450,093
Investment loss, net	(6,072)	--	(6,072)
Miscellaneous	6,212	--	6,212
Total revenues	5,086,371	--	5,086,371
EXPENDITURES			
Forums	94,803	--	94,803
Transportation planning	676,066	--	676,066
Regional assistance	1,158,049	--	1,158,049
Sustainability planning	284,459	--	284,459
Public involvement	221,689	--	221,689
Environment and energy	65,509	--	65,509
Member services	1,342,818	--	1,342,818
Management and general administration	754,831	6,712	761,543
Capital outlay	28,975	--	28,975
Total expenditures	4,627,199	6,712	4,633,911
OTHER FINANCING SOURCES (USES)			
Transfers in	--	7,389	7,389
Transfers out	(7,389)	--	(7,389)
Total other financing sources (uses)	(7,389)	7,389	--
NET CHANGE IN FUND BALANCES	451,783	677	452,460
FUND BALANCES, BEGINNING OF YEAR	3,285,024	7,611	3,292,635
FUND BALANCES, END OF YEAR	\$ 3,736,807	8,288	3,745,095
RECONCILIATION			
Net change in fund balances - total governmental funds		\$	452,460
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount is capital outlays and depreciation.			11,912
Change in net position - governmental activities		\$	464,372

See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Statement of Net Position – Proprietary Fund June 30, 2022

ASSETS

Current assets

Cash	\$	985,682
Investments		111,927
Accounts receivable		28,000
Due from other governmental agencies		2,250
Current maturities - notes receivable		<u>252,973</u>

Total current assets 1,380,832

Noncurrent assets

Notes receivable, less current maturities		<u>1,232,259</u>
---	--	------------------

Total assets \$ 2,613,091

LIABILITIES

Current liabilities

Due to other funds	\$	74,914
Unearned revenue		<u>58,544</u>

Total current liabilities 133,458

Noncurrent liabilities

Notes payable		<u>250,000</u>
---------------	--	----------------

Total liabilities 383,458

NET POSITION

Unrestricted		68,580
Restricted		<u>2,161,053</u>
Total net position		<u><u>2,229,633</u></u>

Total liabilities and net position \$ 2,613,091

See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund For the Year Ended June 30, 2022

OPERATING REVENUES	
State revenue	\$ 224,658
Local revenue	913,019
Charges for services	8,500
Other revenue	<u>14,193</u>
Total operating revenue	<u>1,160,370</u>
OPERATING EXPENSES	
Motorist assist	7,225
Revolving loan administration	<u>7,305</u>
Total operating expenses	<u>14,530</u>
Operating income	1,145,840
NON-OPERATING REVENUES	
Investment income	<u>4,012</u>
CHANGE IN NET POSITION	1,149,852
NET POSITION, BEGINNING OF YEAR	<u>1,079,781</u>
NET POSITION, END OF YEAR	\$ <u><u>2,229,633</u></u>

See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Statement of Cash Flows – Proprietary Fund For the Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from grants and contributions	\$ 1,189,831
Receipts for services	8,500
Payments for services	(17,017)
Other receipts	<u>14,193</u>

Net cash provided by operating activities	<u>1,195,507</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	2,088
Issuance of notes receivable	(2,023,880)
Payments on notes receivable	1,032,404
Issuance of revolving loans	<u>(241,577)</u>

Net cash used in investing activities	<u>(1,230,965)</u>
---------------------------------------	--------------------

CHANGE IN CASH AND CASH EQUIVALENTS	(35,458)
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,021,140</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 985,682</u></u>
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See notes to financial statements

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

(1) Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies of the Omaha-Council Bluffs Metropolitan Area Planning Agency (MAPA). These policies are in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

A. Organization

MAPA was established in June 1967, as a voluntary three-county regional council of governments under the Nebraska Interlocal Cooperation Act of 1963. The initial three counties comprising MAPA were Douglas and Sarpy counties in Nebraska, and Pottawattamie County in Iowa. Washington County, Nebraska and Mills County, Iowa entered into the Interlocal Cooperation Agreement in 1975 and 1976, respectively. Cass County, Nebraska entered into the Interlocal agreement in July of 2019.

The operations of MAPA are financed through various federal and state grants and assessments to its members. The Interlocal Cooperation Agreement, as amended, provides that the assessments to each of the five participating counties be determined on a pro rata basis using population figures from the latest official census.

B. Reporting Entity

MAPA has given consideration to potential component units which it is financially accountable. GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of the Organization's governing body and the ability of the MAPA to impose it will on that Organization to provide specific financial benefits to, or impose specific financial burdens on the Organization. As required by GAAP, these financial statements present MAPA (the primary government) and its component unit. The component unit is included in MAPA's reporting entity because of the significance of their operation or financial relationship with MAPA. The associated entity over which MAPA is considered to be financially accountable is included in MAPA's financial statements and is described below.

Blended Component Unit - The MAPA Foundation is a legally separate entity from MAPA, but is so intertwined with MAPA that it is, in substance, the same as the Organization. It is reported as a part of MAPA as a Proprietary Fund.

C. Basis of Presentation

MAPA's financial statements include both government-wide (reporting MAPA as a whole) and fund financial statements (reporting MAPA's major funds).

Government-Wide Financial Statements - The government-wide financial statements include the Statement of Net Position and the Statement of Activities, which display information about the primary government as a whole. These statements categorize activities as governmental or business-type and exclude any fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Net Position presents MAPA's nonfiduciary assets and liabilities with the difference reported as net position. Net position is reported in the following categories:

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.
- *Restricted net position* results when constraints placed on net position use are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

- *Unrestricted net position* consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

MAPA first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

The Statement of Activities reports both the gross and net cost of each of MAPA's functions. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary grants while the capital grants reflect capital-specific grants. The net costs (by function) are normally covered by general revenue. The government-wide focus is more on the sustainability of MAPA as an entity and the change in MAPA's net position resulting from current year's activities. Other revenue not included as program revenues are reported instead as general revenues.

Fund Financial Statements - The financial transactions of MAPA are reported as individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The emphasis in fund financial statements is on the major funds in the governmental activities category. Non-major funds by category are summarized into a single column.

The following is a description of the major governmental funds of MAPA.

The General Fund is the primary operating fund is used to account for current financial resources not accounted for in other funds.

MAPA reports the following major proprietary fund

The Enterprise Fund consists of MAPA Foundation that provides the funds and support of the safety program, Metro Area Motorist Assist Program, and for the education of local elected and appointed officials for alternative methods to deliver programs and projects. The Foundation is designated as a National Development Organization (NDO). As a NDO the Foundation administers Community Development Block Grant Loan programs.

D. *Measurement Focus and Basis of Accounting*

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Operating grants and contributions and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or within 60 days after year end to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, principal and interest on long-term debt are recognized only when payment is due. Capital asset acquisitions and right to use leased assets are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

Revenue from federal, state and other local governments are considered susceptible to accrual. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been satisfied. In-kind revenue is recognized when related expenses for services performed are incurred.

E. Budgets

The Board of Directors adopts an annual budget for its General Fund. The amount appropriated for expenditures represents the expenditure limit. Original appropriations are modified by transfers among budget categories or by increases in funding sources. The Board of Directors approves the original budget and all amendments.

F. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand and demand deposits with original maturities of three months or less from the date of acquisition.

G. Investments

The majority of MAPA's investments are pooled and invested. Investments are stated at fair value, except for the investments held at the Nebraska Public Agency Investment Trust (NPAIT), which are valued at amortized cost, and investments in certificates of deposit, which are stated at cost.

H. Accounting Estimates

The preparation of purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

I. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated over their estimated useful lives using the straight-line method. When capital assets are disposed, the cost and the applicable accumulated depreciation/amortization are removed from the respective accounts, and the resulting gain or loss is recognized.

Estimated useful live for depreciable assets are as follows:

Furniture, fixtures, and equipment	5 - 7 years
Automobiles	5 years

J. Accrued Compensated Absences

Employees accumulate earned but unused vacation and sick pay benefits. Vacation pay is expected to be liquidated with expendable available financial resources and is reported as an expenditure and a liability of the General Fund. Accumulated sick pay is recorded at the maximum amount allowed as a termination payment, using the termination payment method.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

K. Leases

MAPA is a lessee for leases related to office equipment. MAPA recognizes a lease liability and an intangible right-of-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, MAPA initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how MAPA determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

MAPA uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, MAPA generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that MAPA is reasonably certain to exercise.

MAPA monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities

L. Fund Balance

Fund balance of MAPA's governmental funds are classified in the financial statements as follows:

- *Restricted fund balance* consists of fund balances that are restricted by external impositions such as creditors, granters, or laws or regulations of other governments.
- *Committed fund balance* consists of fund balances that have been designated by the Board for a specific purpose. These amounts cannot be used for any other purpose unless the government removes or changes the specific use by taking the same type of action it used to commit those amounts.
- *Assigned fund balance* consists of fund balances that have not been designated by the Board for a specific purpose, but has been separated based on the type of revenue.
- *Unassigned fund balance* consist of the portion of the General Fund not restricted, committed, or assigned for a specific purpose.

MAPA considers that all incurred and spent restricted, committed, and assigned amounts have been utilized first before unassigned amounts are utilized.

M. Income Taxes

MAPA is a governmental subdivision of the State of Nebraska and, accordingly, no provision for federal or state income taxes is required. MAPA Foundation is a not-for-profit corporation as described in Section 501(C)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Internal Revenue Service has established standards to be met to maintain its tax exempt status.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

N. Reported Reimbursable Costs

Revenue is received from federal, state, and county sources, and is based on reported costs as defined by the funding sources and on provision of services. The accompanying financial statements reflect reported costs, which are subject to review by the funding sources and contractors. In the opinion of management, reported costs represent proper costs as defined by funding contract criteria and the various funding sources or contractors have questioned no amounts reported at June 30, 2022.

O. Implementation of GASB Statement No. 87

As of July 1, 2021, MAPA adopted GASB Statement No. 87, *Leases*. The implementation of this standard established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. As a result of implementing this standard, MAPA recognized a right of use leased asset and lease liability of \$7,533 as of July 1, 2021, respectively. As a result of these adjustments, there was no effect on beginning net position. The additional disclosures required by this standard are included in Note 6.

P. Recent Accounting Pronouncements

In May 2022, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). The statement provides guidance on the accounting and financial reporting for SBITA for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The standard will be effective for reporting periods beginning after June 15, 2022. MAPA is currently evaluating the effect the new standard will have on the financial statements.

(2) Deposits and Investments

At year end, MAPA's carrying amount of bank deposits was \$2,144,175. The bank balances for all funds totaled \$2,382,931. For purposes of classifying categories of custodial risk, the bank balances of MAPA's deposits are in excess of Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk relating to these deposits is minimal.

MAPA also had \$1,141,859 of investments in the Nebraska Public Agency Investment Trust (NPAIT). NPAIT is a public entity investment pool operated under the direction of a thirteen-member Board of Trustees. Securities held by NPAIT are not held in MAPA's name, are held in a pooled fund and, therefore, are not categorized as to credit risk.

MAPA categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

As of June 30, 2022, MAPA's investments had the following fair value measurements at June 30, 2022.

	Total	Level 1	Level 2	Level 3
U.S. Treasury securities	\$ 745,862	--	745,862	--
NPAIT investments (at amortized cost)	395,997			
Certificates of deposit (at cost)	785,460			
Cash (at cost)	121			
Total investments	\$ 1,927,440			

Interest Rate Risk - MAPA's investment goal, as a political subdivision, is to focus on minimizing risk, rather than maximizing funds. In order to control interest rate risk MAPA's investment policy limits the maturity of its investments. The maturity date of any investment shall not exceed 10 years. Funds restricted for agency closing costs shall have the following limitations related to maturity dates: At least 25% shall have a maturity date of two years or less. At least 50% shall have a maturity date of five years or less.

Credit Risk - State law limits requires all investments to be fully insured or collateralized. MAPA's investment policy limits its investment choices to certificates of deposit, U.S. Treasury securities, and NPAIT deposit accounts.

Concentration of Credit Risk - MAPA places no limit on the amount it may invest in any one issuer. MAPA's investments in Certificates of Deposit and U.S. Treasury securities are as of June 30, 2022.

(3) Notes Receivable

The MAPA Foundation receives grant funding from various government and non-government organizations to establish revolving loan funds to support eligible businesses for economic growth and development. The loans typically bear interest rates far lower than market rates. As of June 30, 2022, \$1,485,232 was included in notes receivable. These funds shall continue to meet compliance standards until MAPA meets the restricted purpose as outlined in the grants.

Future maturities under notes receivable at June 30, 2022 are as follows:

Year ending June 30,	
2023	\$ 252,973
2024	80,684
2025	80,684
2026	80,684
2027	80,684
Thereafter	909,523
Total	\$ 1,485,232

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

(4) Capital Assets

Capital asset activity for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Disposals	Balance June 30, 2022
Capital assets being depreciated:				
Furniture, fixtures, and equipment	\$ 162,494	--	--	162,494
Automobiles	51,215	29,475	(12,730)	67,960
Total capital assets being depreciated	213,709	29,475	(12,730)	230,454
Less accumulated depreciation:				
Furniture, fixtures, and equipment	110,929	13,419	--	124,348
Automobiles	50,215	4,144	(12,730)	41,629
Total accumulated depreciation	161,144	17,563	(12,730)	165,977
Capital assets, net	\$ 52,565	11,912	--	64,477

(5) Long-Term Liabilities

Long-term liabilities activity of MAPA as of June 30, 2022 consisted of the following:

	June 30, 2021	Additions	Reductions	June 30, 2022	Due Within One Year
Note payable (A)	\$ 250,000	--	--	250,000	--
Leases (Note 6)	7,533	--	(2,268)	5,265	2,052
Total long-term liabilities	\$ 257,533	--	(2,268)	255,265	2,052

(A) Under an agreement with the City of Blair, Nebraska (City) regarding the implementation of the Blair Rural Workforce Housing Fund, the Foundation obtained \$250,000 from the City to establish a revolving loan fund to provide loans for the development of workforce housing projects in the City. The balance of the loan must be returned to the City on August 30, 2028, unless an extension is mutually agreed upon.

(6) Leases

MAPA has entered into two lease agreements for office equipment with terms ending January 2023 and April 2025. MAPA is required to make monthly principal payments ranging from \$36 to \$153 over the term of the leases. The lease agreements have interest rates of 0%.

Lease liability activity for MAPA as of and for the year ended June 30, 2022 consisted of the following:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Lease liabilities - office equipment	\$ 7,533	--	(2,268)	5,265

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

The remaining obligations associated with these leases are as follows:

Year ending June 30,

2023	\$	2,052
2024		1,836
2025		<u>1,377</u>
Total	\$	<u>5,265</u>

MAPA's right to use assets related to the leases as of and for the year ended June 30, 2022 are as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Right to use leased assets being amortized:				
Right to use leased office equipment	10,476	--	--	10,476
Less accumulated amortization:				
Right to use leased office equipment	<u>2,943</u>	<u>2,268</u>	<u>--</u>	<u>5,211</u>
Right to use leased assets, net	<u>7,533</u>	<u>(2,268)</u>	<u>--</u>	<u>5,265</u>

The statements of revenue, expenses and changes in net position for the year ended August 31, 2022 includes amortization of right to use assets of \$2,268.

(7) Retirement Plan

In June 1976, the Board of Directors approved the MAPA employees' retirement program (a money-purchase pension plan). This plan, known as the MAPA Pension Trust, is a defined contribution plan. Participation in the plan is mandatory for employees hired after July 1, 1976. A minimum of 9.5% of each eligible employee's annual compensation is contributed to the plan. 5.5% of the contribution is made by MAPA and the employee makes 4%. The current year covered payroll was \$1,430,327 and the total current year payroll was \$1,594,677. At June 30, 2022, the retirement plan had assets with a fair value of \$774,394. The participants are 100% vested in employee contributions. Employer contributions vest over a five-year period. During the current year the employer contributed \$79,893. The employees contributed \$57,213 (4.0% of covered payroll).

(8) Deferred Compensation Plan

MAPA sponsors a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all MAPA employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, total and permanent disability, retirement, death, or unforeseeable emergency. The employee is fully vested in all amounts credited to his or her account. MAPA made no contributions to the plan on behalf of participants for the year ended June 30, 2022. The deferred compensation assets related to this plan in the amount of \$234,706 are held in trust by a third party for the employees and are not reflected in these financial statements.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Notes to Financial Statements June 30, 2022

(9) Net Position

Restricted and designated net position as of June 30, 2022 is as follows:

	Governmental Activities	Business-type Activities	Total
Restricted			
Economic Development	\$ 9,918	--	9,918
Revolving Loan Fund	--	2,161,053	2,161,053
Total restricted net position	<u>\$ 9,918</u>	<u>2,161,053</u>	<u>2,170,971</u>
Unrestricted			
Designated			
Projected agency operating and closing costs in the event MAPA would cease operations	\$ 250,000	--	250,000
Local match for federal aid projects	209,078	--	209,078
Nebraska-Iowa Regional Orthophotography Consortium	180,979	--	180,979
State and Local Projects	13,904	--	13,904
Officials Expense Fund	8,288	--	8,288
Total unrestricted, designated net position	<u>\$ 662,249</u>	<u>--</u>	<u>662,249</u>

(10) Interfund Transfers

Transfers from the General to the Other Governmental Fund consisted of \$7,839 for the Officials Expense Fund.

(11) Risk Management

MAPA is exposed to various risk of loss related to torts, theft of, damage to, or destruction of assets, business interruptions, errors or omissions, injuries to employees, natural disasters and risks normally associated with a governmental subdivision. These risks are covered by commercial insurance purchased from independent insurance carriers. MAPA assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

(12) Commitments and Contingent Liabilities

MAPA participates in a number of federally assisted grant programs. Compliance with the grant agreements is subject to audit by various government agencies, which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would be immaterial to the accompanying financial statements.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Comparison of Revenues, Expenditures and Changes in Fund Balances – General Fund (Unaudited) For the Year Ended June 30, 2022

	Budget Original	Budget Final	Actual Amounts	Variance Favorable (Unfavorable)
REVENUES				
Federal and state	\$ 3,607,527	3,365,280	3,036,335	(328,945)
Local governments	889,088	593,403	620,502	27,099
Charges for services	854,720	909,660	979,301	69,641
In-kind	233,388	307,088	450,093	143,005
Private grants	25,000	25,000	--	(25,000)
Investment income (loss), net	15,000	2,000	(6,072)	(8,072)
Miscellaneous	--	--	6,212	6,212
Total revenues	5,624,723	5,202,431	5,086,371	(116,060)
EXPENDITURES				
Forums	149,708	122,239	94,803	27,436
Transportation planning	869,299	956,665	676,066	280,599
Regional assistance	1,563,652	1,563,652	1,158,049	405,603
Sustainability planning	169,314	217,410	284,459	(67,049)
Public involvement	302,840	274,830	221,689	53,141
Environment and energy	290,705	48,280	65,509	(17,229)
Member services	1,434,161	1,053,987	1,342,818	(288,831)
Management and general administration	795,044	795,044	754,831	40,213
Capital outlay	50,000	--	28,975	(28,975)
Total expenditures	5,624,723	5,032,107	4,627,199	404,908
OTHER FINANCING USES				
Transfers out	--	--	(7,389)	(7,389)
Total other financing uses	--	--	(7,389)	(7,389)
NET CHANGES IN FUND BALANCE	--	170,324	451,783	281,459
FUND BALANCE, BEGINNING OF YEAR	3,285,024	3,285,024	3,285,024	--
FUND BALANCE, END OF YEAR	\$ 3,285,024	3,455,348	3,736,807	281,459

Omaha-Council Bluffs Metropolitan Area Planning Agency

**Combining Balance Sheet – Nonmajor Governmental Fund
June 30, 2022**

	Officials Expense Fund
ASSETS	
Due from other funds	\$ <u>8,288</u>
FUND BALANCE	
Assigned	\$ <u>8,288</u>

Omaha-Council Bluffs Metropolitan Area Planning Agency

Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Fund For the Year Ended June 30, 2022

	Officials <u>Expense Fund</u>
EXPENDITURES	
Administration	\$ <u>6,712</u>
OTHER FINANCING SOURCES	
Transfers in	<u>7,389</u>
NET CHANGES IN FUND BALANCE	677
FUND BALANCE, BEGINNING OF YEAR	<u>7,611</u>
FUND BALANCE, END OF YEAR	\$ <u><u>8,288</u></u>

Omaha-Council Bluffs Metropolitan Area Planning Agency

Schedule of Expenditures of Federal Awards and Notes to the Schedule For the Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF COMMERCE				
Direct Program				
Economic Development Support for Planning Organizations	11.302	ED21DEN3020031	\$	70,000
Direct Program				
Economic Development Cluster				
COVID-19 - Economic Adjustment Assistance - CARES Act Recovery Assistance	11.307	ED20DEN3070130	\$	133,200
COVID-19 - Economic Adjustment Assistance - CARES Act Recovery Assistance Supplemental Funding	11.307	05-79-06086;URI: 116147	450,707	210,881
Economic Adjustment Assistance - 2019 Disaster Supplemental	11.307	05-69-05941; URI 113915		464,141
				68,200
Passed through the Nebraska Department of Education				
Economic Adjustment Assistance - 2019 Disaster Supplemental	11.307	19-EDA-005		1,904
Passed through the Invest Nebraska Corporation				
COVID-19 - Economic Adjustment Assistance: ARP BBB RC Heartland Robotics Cluster Program	11.307	ED22HDQ3070053		15,757
Total Economic Development Cluster				760,883
TOTAL U.S. DEPARTMENT OF COMMERCE				830,883
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Program				
Transit Service Program Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NE-2018-007-00	85,291	85,291
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NE-2020-011-00	122,552	180,590
COVID-19 Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	NE-2022-003-00	36,806	36,806
Total Transit Service Program Cluster				302,687
Passed-Through the Nebraska Department of Transportation				
Metropolitan Transportation Planning	20.505	NE-2022-004; C990(222)	59,998	410,930
Passed-Through the Iowa Department of Transportation				
Metropolitan Transportation Planning	20.505	22MPO-MAPA		37,690
Total Metropolitan Transportation Planning				448,620
Passed-Through the Iowa Department of Transportation				
Formula Grants for Rural Areas	20.509	22RPA-18		23,269
Highway Planning and Construction Cluster				
Passed-Through the Nebraska Department of Transportation				
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	UL2109 PLM-1(59)	203,785	1,058,811
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	UL2105; MAPA-28(137)		686
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	BM1806		24,800
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	UL2106; MAPA-28(138)		16,487
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	UL2108; MAPA-28(135)		4,520
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	UL2113;SPR-1(58)		11,199
Total passed through the Nebraska Department of Transportation				1,116,503
Passed-Through the Iowa Department of Transportation				
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	22MPO-MAPA	30,000	116,845
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	22RPA-18		5,790
Total passed through the Iowa Department of Transportation				122,635
Total Highway Planning and Construction Cluster				1,239,138
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				2,013,714
Total expenditures of Federal awards			\$	1,122,339
				2,844,597

The accompanying notes are an integral part of this schedule.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Omaha-Council Bluffs Metropolitan Area Planning Agency (MAPA) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of MAPA, it is not intended to and does not present the financial position, changes in net position or fund balance, or cash flows of MAPA.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Schedule of Expenditures of Federal Awards and Notes to the Schedule For the Year Ended June 30, 2022

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

MAPA has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



**Independent Auditor's Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

To the Governing Board
Omaha-Council Bluffs Metropolitan Area Planning Agency
Omaha, Nebraska:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Omaha - Council Bluffs Metropolitan Area Planning Agency (MAPA), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise MAPA's basic financial statements and have issued our report thereon dated March 31, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered MAPA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MAPA's internal control. Accordingly, we do not express an opinion on the effectiveness of MAPA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the MAPA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Omaha, Nebraska,
March 31, 2023.



**Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control over Compliance
Required by the Uniform Guidance**

To the Board of Directors
Omaha - Council Bluffs Metropolitan Area Planning Agency
Omaha, Nebraska:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Omaha - Council Bluffs Metropolitan Area Planning Agency's (MAPA), compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of MAPA's major federal programs for the year ended June 30, 2022. MAPA's major federal programs are identified in the summary of independent auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, MAPA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of MAPA and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the MAPA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the MAPA's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on MAPA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about MAPA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding MAPA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of MAPA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Omaha, Nebraska,
March 31, 2023.

Omaha-Council Bluffs Metropolitan Area Planning Agency

Corrective Action Plan For the Year Ended June 30, 2022

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes _____ X No
- Significant deficiency(ies) identified? _____ Yes _____ X None reported

Noncompliance material to financial statements noted? _____ Yes _____ X No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ Yes _____ X No
- Significant deficiency(ies) identified? _____ Yes _____ X None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? _____ Yes _____ X No

Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
11.307	<u>Economic Development Cluster</u> Economic Adjustment Assistance
20.513	<u>Transit Services Programs Cluster</u> Enhanced Mobility of Seniors and Individuals with Disabilities (5310 Program)

Dollar threshold used to distinguish between type A and type B programs

_____ \$750,000 _____

Auditee qualified as low-risk auditee? _____ X Yes _____ No

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings reported.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

No findings reported.